



## ANNUAL USE OF CAPITAL SURVEY - 2009

## NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Metropolitan Capital Bancorp, Inc.

Person to be contacted regarding this report:	Neil C. Solomon
CPP Funds Received:	\$4,388,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	4/10/2009
Date Repaid <sup>1</sup> :	

RSSD: (For Bank Holding Companies)	3153224
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	57488
City:	9 East Ontario
State:	Illinois

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	The Bank's legal lending limit to a single borrower increased from \$2,300,000 to \$3,250,000. This enabled the Bank to repurchase \$5.18 million of loan participations sold to other banks and to lend an additional \$39.55 million in new loans.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	The Company used the funds to increase subsidiary bank capital which increased the bank's lending limit and capital ratio allowing for loan expansion as follows; home equity - 52.44%, Commercial non RE - 35.56%, Commercial RE - 44.45%, Residential RE - 100%, and total loans 43.56%
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	

<input checked="" type="checkbox"/>	Reduce borrowings	<p>CPP funds were not specifically used to reduce borrowings. To the extent that funds were received, the bank did not need to seek additional funds and this reduced the amount of funds needed in order to fund loan growth.</p>
<input type="checkbox"/>	Increase charge-offs	
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input type="checkbox"/>	Held as non-leveraged increase to total capital	

What actions were you able to avoid because of the capital infusion of CPP funds?

The Bank did not have to restrict loan growth and instead was able to continue with new lending. Additionally, the Company was able to maintain adequate capital levels without having to seek additional capital in the market.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

The injection of \$3,800,000 into the Bank's Tier 1 capital structure enabled the Bank to achieve asset growth of 29.33% while maintaining appropriate regulatory capital. The Bank has continued to be able to identify prudent lending opportunities and grow its loan portfolio. As noted earlier, the Bank achieved loan growth of 43.56% from April 10, 2009 to January 1, 2010. However, the actual amount loaned was greater, as the bank began to increase lending activity in anticipation of the capital infusion. We would estimate loan growth to be 48.67%. The Bank continues to sustain its well capitalized status.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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